

# **THE LEONARD LETTER**

*A weekly electronic newsletter about  
California government, business and taxes*

*Bill Leonard, Member  
State Board of Equalization*

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## **QUOTE OF THE WEEK**

*“When one person kills another, there is immediate revulsion at the nature of the crime. But in a time so short as to seem indecent to the members of the personal family, the dead person ceases to exist as an identifiable figure. To those individuals in the community of goodwill and empathy, warmth and compassion, only one of the key actors in the drama remains with whom to commiserate—and that is always the criminal. The dead person ceases to be a party of everyday reality, ceases to exist. She is only a figure in a historic event. We inevitably turn away from the past, toward the ongoing reality. And the ongoing reality is the criminal; trapped, anxious, now helpless, isolated, often badgered and bewildered. He usurps the compassion that is justly his victim’s due. He will steal his victim’s moral constituency along with her life.” --- Willard Gaylin, ‘The Killing of Bonnie Garland’*

## **AROUND THE STATE**

**\*\*\*Albert Lewis Owens. Tsai-Shai Yang. Yen-I Yang.  
Yee-Chen Lin \*\*\***

For the last several weeks, we have been living out Willard Gaylin’s explanation (supra) of how society reacts to murder. You have heard the name Stanley “Tookie” Williams hourly in the news. You have heard it uttered by innumerable Hollywood celebrities and politicians and pundits. You have heard about the children’s book he has written, the Nobel prize he has been nominated for, and the gangs that he created that he now speaks against.

Instead of focusing on “Tookie” and the agenda that has been pinned to him by those who chant his name, let me ask you to focus instead on the following people: Albert Lewis Owens. Tsai-Shai Yang. Yen-I Yang. Yee-Chen Lin. These are the four innocent people that Tookie murdered in cold blood, with a shotgun at close range. It is estimated that his take from the two robberies was just over \$200. That is the value he placed on human life. That he now seeks clemency to space his own life is not surprising, but it also is not warranted.

If you remain at all in doubt about his guilt, I urge you to read the Los Angeles District Attorney's petition against clemency. (<http://da.co.la.ca.us/pdf/swilliams.pdf>) The DA lays out the case against Tookie with impressive clarity. You can learn about the physical evidence, witness testimony, his plans for a jail escape, threats against jurors, and his own admissions. You have not read much of this in the mainstream media, and that is a shame. That negligence has enabled people to make Albert Lewis Owens, Tsai-Shai Yang, Yen-I Yang, and Yee-Chen Lin, figures in historic events and turn their compassion toward Tookie. It is misplaced compassion. It is morality turned on its head. It is abhorrent to be advocating for someone who could commit such cruel crimes that caused such suffering and devastation. He deserves the earthly punishment that man's laws have determined are fit for his crime. He deserves now to face God and discover the eternal consequences for murder. It is for God to weigh his deeds since those murders and determine the level of repentance. Only God knows his soul. We do not know it and we cannot judge it. What we can do is mete out temporal justice for Albert Lewis Owens and Tsai-Shai Yang and Yen-I Yang and Yee-Chen Lin.

### **\*\*\*Why Arnold Has to run as a Republican\*\*\***

A recent column by Dan Schnur argues that Governor Schwarzenegger should run as an Independent. I disagree, but first I want to correct what seems an out-of-character mistake by the usually unfaltering Schnur. State law would not have to be changed, as Dan says, for the Governor to run as an independent in the General Election. My reading of the law is that independent candidates for statewide office simply need to gather 165,573 valid signatures from registered voters.

The real reason the Governor should not, and probably cannot, run as an independent candidate is because independent candidates can raise only \$21,600, or some similar amount, from individual donors to fund their gubernatorial campaigns. Proposition 34 allows virtually unlimited contributions to parties, which parties can then legally use to fund party building, absentee voting programs and other such activities that are a big part of gubernatorial campaigns. For a gubernatorial candidate to make himself ineligible for millions does not make much sense.

Most important there is the fact that no incumbent would willingly abandon the millions of voters in his own political party, knowing that three-quarters of them consistently vote a straight party ticket.

John Fund's recent posting on his Political Diary brings out the importance of having access to party resources. Congressman John Campbell, sworn in last week after winning the special election for the 48th Congressional District, actually lost on Election Day. It was his absentee ballot program that won him that seat.

[Fund wrote] "The real shocker from the election is the fact that Mr. Gilchrist, the Minuteman activist, won the largest number of votes actually cast on Election Day. Mr. Campbell only won because of the hundreds of thousands of dollars he spent getting people to fill out absentee ballots and "banking" them. On Election Day, Mr. Campbell won only 30% of the vote, the Democratic candidate won 32% and Mr. Gilchrist won 35%. Mr. Gilchrist ran an abysmal campaign, spending his money on radio ads whose audience largely lived outside the district and

ignoring absentee voters and grassroots targeting. Noting that a majority of the votes cast were absentee ballots, political consultant Chuck Muth observes that "the Gilchrist campaign simply didn't show up for the first half of the game."

### **\*\*\*Lumps of Coal\*\*\***

If you have lived in California for the past few years, you understand the electricity problems we have. If you have lived here for many years, you understand how concerns about the environment and air quality can impact our public policy decisions. I am a huge advocate for clean air and worked for years in the legislature to improve it. I also worked hard to increase our state's production and supply of electricity. We are woefully short of having enough power plants to be self-sufficient. But since those environmental concerns—many of them more drama than substance—have prevented enough power plants from being built in California, we are forced to contract with power plants in other state to meet our demand. Wyoming does not have California's population and demand challenges and they have lots of coal, thus they are willing to sell their extra electricity to us.

Seems logical, right? Which only means that California's government must step in and demand the practice cease. Last week's decision by the state Energy Commission to reduce "greenhouse gas" emissions results in a ban on coal-generated electricity, even if it is generated in Wyoming. Again, if you have lived in California long enough you may be nodding your head just a little, thinking this is a good thing to help Wyoming be cleaner, too. But consider this: Wyoming's coal power plants are not in violation of federal air quality standards. And the people in Wyoming have not passed stricter standards; they are fine with having coal-generated plants, perhaps since the new generation of coal plants are even cleaner than the old ones. But we know better in California, do we not? I propose lumps of coal in the Christmas stocking of each California Energy Commissioner.

## **TAX TIP**

### **\*\*\*Tax Tip\*\*\***

The IRS announced the new standard mileage rates for 2005. For all business miles driven this calendar year, taxpayers will be able to deduct 40.5 cents per mile (up from 37.5 cents/mile in 2004). Even with the high price of gasoline and car insurance, this seems fairly generous, but I am not complaining! This is the largest one-year increase in the standard mileage deduction in history.

For deductible medical and moving expenses, taxpayers can deduct 15 cents per mile. When providing goods or services to a charitable organization, taxpayers can deduct 14 cents per mile. This seems like a gross disparity, but actually, the charitable mileage rate is set by law and it does not fluctuate with vehicle expenses.

### **\*\*\*A Good Read\*\*\***

If you enjoy learning and laughing at the same time, then pick up a copy of “Eat the Rich: A Treatise on Economics” by P.J. O’Rourke. Rourke takes an entertaining romp through economics to answer the question: why are some parts of the world rich and others poor? He begins by touring the New York Stock Exchange and showing us how American capitalism works. Then he is off to Albania, to show, in his words an example of “bad capitalism.” Then he does the same contrast with socialism, walking us through its realities in Sweden and Cuba. He then revisits Econ 101, distilling all the professorial charts and graphs into ten simple points: 1. The market is never wrong; 2. So you Die; Things Still Cost What They Cost; 3. You Can’t Get Something for Nothing; 4. You Can’t Have Everything; 5. Break It and You Bought It; 6. Good Is Not as Good as Better; 7. The Past is Past; 8. Build It and They Will Come; 9. Everybody Gets Paid; 10. Everybody’s an Expert. It is tongue-in-cheek, but his explanations make sense. And his conclusions are right on: the free market, with all of its flaws, works best. Its ability to do so is tied to law, the legal protection of economic liberty. He thus boils down the elements of wealth, the reason why some places are poor and some are rich to this: hard work, education, responsibility, property rights, rule of law and democratic government.

## **BOE AND LEGISLATIVE DATES**

**December 13-14, 2005** --- BOE meets in Sacramento.

**December 25, 2005** --- Christmas Day.

**December 26, 2005** --- State offices closed in observation of Christmas.

**December 30, 2005** --- First day to file petitions in-lieu of the filing fee for the June 2006 primary election.

**January 2, 2006** --- Legislature reconvenes; other state offices closed in observation of New Year’s Day.

**January 16, 2006** --- Martin Luther King Jr. holiday.

**January 31-February 1, 2006** --- BOE meets in Sacramento.

## **NOTABLE DATES/ HISTORY**

**December 12, 1800** --- Washington, D.C. was established as capital of the U.S.

**December 12, 1822** --- Mexico was officially recognized as an independent nation by the U.S.

**December 13, 2003** --- Former Iraqi dictator Saddam Hussein was arrested near his hometown of Tikrit. He had been in hiding since the Allied liberation began the previous March 20.

**December 14, 1986** --- The experimental aircraft *Voyager*, piloted by Dick Rutan and Jeana Yeager, took flight from Edwards Air Force Base on the first non-stop, self-contained flight around the world.

**December 15, 1680** -- Tax revolt on Terschelling (Netherlands) due to tax on cereal.

**December 15, 1997** --- The San Francisco 49ers retired Joe Montana's #16.

**December 16, 1944** --- The Battle of the Bulge began in Belgium.

**December 16, 1953** --- The first White House Press Conference was held: President Eisenhower and 161 reporters.

**December 17, 1944** --- The U.S. Army announced the end of excluding Japanese-Americans from the West Coast; Japanese-Americans were released from detention camps.

**December 18, 1799** --- George Washington's body was interred at Mount Vernon.

## GENERAL TAX INFORMATION

For answers to your general tax questions, call the Board of Equalization information center. Customer service representatives are available to help you from 8:00 a.m. to 5:00 p.m. Pacific time, Monday through Friday (except state holidays).

Toll-free number: 800-400-7115  
TDD service for the hearing impaired  
TDD phones: 800-735-2929  
Voice phones: 800-735-2922

To reach the Taxpayer Rights Advocate's office for assistance with any BOE issues, see <http://www.boe.ca.gov/tra/tra.htm>, or call toll-free 1-888-324-2798.

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